



Billing Code: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-580-883

Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2016-2017

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that Hyundai Steel Company (Hyundai) and POSCO/POSCO Daewoo Co., Ltd. (collectively POSCO/PDW), the two companies selected for individual examination, sold subject merchandise in the United States at prices below normal value during the POR. We invite interested parties to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *Federal Register*].

FOR FURTHER INFORMATION: Benito Ballesteros or Justin Neuman, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) (202) 482-7425 or (202) 482-0486, respectively.

SUPPLEMENTARY INFORMATION:

*Background*

On December 7, 2017, Commerce initiated the antidumping duty administrative review on certain hot-rolled steel flat products (hot-rolled steel) from the Republic of Korea (Korea).<sup>1</sup> Commerce selected two respondents for individual examination, POSCO/PDW and Hyundai

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<sup>1</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 82 FR 21513 (May 9, 2017).

Steel Company. For a detailed description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum, dated concurrently with these preliminary results and hereby adopted by this notice.<sup>2</sup>

The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). Access to ACCESS is available to registered users at <http://access.trade.gov> and is available to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the Internet at <http://enforcement.trade.gov/frn/index.html>. A list of the topics discussed in the Preliminary Decision Memorandum is attached at the Appendix to this notice. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

#### *Scope of the Order*

The product covered by this review is hot-rolled steel from Korea. For a full description of the scope see the Preliminary Decision Memorandum.

#### *Methodology*

Commerce is conducting this administrative review in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). Export price and constructed export price are calculated in accordance with section 772 of the Act. Normal value is calculated in accordance

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<sup>2</sup> See Memorandum, "Decision Memorandum for the Preliminary Results of the Antidumping Duty Administrative Review: Certain Cold Rolled Steel Flat Products from the Republic of Korea; 2016-2017," dated October 3, 2018 (Preliminary Decision Memorandum).

with section 773 of the Act. For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

#### *Rates for Non-Examined Companies*

The statute and Commerce's regulations do not address the establishment of a rate to be applied to companies not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy investigation, for guidance when calculating the rate for companies which were not selected for individual examination in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}."

In this review, we have preliminarily calculated weighted-average dumping margins for Hyundai and POSCO/PDW that are not zero, *de minimis*, or determined entirely on the basis of facts available. Accordingly, we have preliminarily assigned to the companies not individually examined in this review<sup>3</sup> a margin of 5.95 percent, which is the weighted average of Hyundai and POSCO/PDW calculated weighted-average dumping margins.<sup>4</sup>

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<sup>3</sup> The non-examined companies subject to this review are: Daewoo International Corp., Dongbu Steel Co., Ltd., Dongkuk Industries Co., Ltd., Marubeni-Itochu Steel Korea, Soon Hong Trading Co., and Sungjin Co.

<sup>4</sup> For more information regarding the calculation of this margin, *see* Memorandum, "Calculation of the Margin for Non-Examined Companies," dated November 2, 2018. As the weighting factor, we relied on the publicly ranged sales data reported in Hyundai's and POSCO/PDW's quantity and value charts.

### *Preliminary Results of Review*

We preliminarily determine that the following weighted-average dumping margins exist for the period March 22, 2016, through September 30, 2017.

<b>Exporter/Producer</b>	<b>Weighted-Average Margin (percent)</b>
POSCO/POSCO Daewoo Co., Ltd.	7.67
Hyundai Steel Company	3.95
Non-Examined Companies	5.95

### *Disclosure, Public Comment, and Opportunity to Request a Hearing*

We intend to disclose the calculations performed for these preliminary results of review to interested parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs no later than 30 days after the date of publication of this notice. Rebuttal briefs, the content of which is limited to issues raised in the case briefs, may be filed no later than five days after the date for filing case briefs.<sup>5</sup> Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>6</sup> Case and rebuttal briefs should be filed using ACCESS<sup>7</sup> and must be served on interested parties.<sup>8</sup> Executive summaries should be limited to five pages total, including footnotes.

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<sup>5</sup> See 19 CFR 351.309(d).

<sup>6</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>7</sup> See generally 19 CFR 351.303.

<sup>8</sup> See 19 CFR 351.303(f).

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically *via* Commerce's electronic records system, ACCESS. An electronically filed request must be received successfully in its entirety by 5:00 p.m. Eastern Time within 30 days of the date of publication of this notice.<sup>9</sup> Requests should contain: (1) the party's name, address and telephone number; (2) the number of participants; and (3) a list of issues parties intend to discuss. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs. If a request for a hearing is made, Commerce intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, at a date and time to be determined.<sup>10</sup> Parties should confirm the date, time, and location of the hearing two days before the scheduled date.

Commerce intends to issue the final results of this administrative review, including the results of its analysis of the issues raised in any case or rebuttal briefs, no later than 120 days after the date of publication of this notice, unless extended.<sup>11</sup>

#### *Assessment Rates*

Upon completion of this administrative review, Commerce shall determine, and Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries. We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this review.

For any individually examined respondent whose weighted-average dumping margin is not zero or *de minimis* (*i.e.*, less than 0.5 percent) in the final results of this review and the

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<sup>9</sup> See 19 CFR 351.310(c).

<sup>10</sup> See 19 CFR 351.310(d).

<sup>11</sup> See section 751(a)(3)(A) of the Act and 19 CFR 351.213(h).

respondent reported reliable entered values, we will calculate importer-specific *ad valorem* assessment rates for the merchandise based on the ratio of the total amount of dumping calculated for the examined sales made during the period of review to each importer and the total entered value of those same sales, in accordance with 19 CFR 351.212(b)(1). If the respondent has not reported reliable entered values, we will calculate a per-unit assessment rate for each importer by dividing the total amount of dumping calculated for the examined sales made to that importer by the total sales quantity associated with those transactions. Where an importer-specific *ad valorem* assessment rate is zero or *de minimis* in the final results of review, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties in accordance with 19 CFR 351.106(c)(2). If a respondent's weighted-average dumping margin is zero or *de minimis* in the final results of review, we will instruct CBP not to assess duties on any of its entries in accordance with the *Final Modification for Reviews*, i.e., “{w}here the weighted-average margin of dumping for the exporter is determined to be zero or *de minimis*, no antidumping duties will be assessed.”<sup>12</sup>

For entries of subject merchandise during the POR produced by Hyundai and POSCO/PDW for which the producer did not know its merchandise was destined for the United States, or for any respondent for which we have a final determination of no shipments, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company (or companies) involved in the transaction.<sup>13</sup>

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<sup>12</sup> See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings; Final Modification*, 77 FR 8101, 8102 (February 14, 2012) (*Final Modification for Reviews*).

<sup>13</sup> See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

### *Cash Deposit Requirements*

The following cash deposit requirements will be effective upon publication of the notice of final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for Hyundai and POSCO/PDW in the final results of review will be equal to the weighted-average dumping margin established in the final results of this administrative review; (2) for merchandise exported by producers or exporters not covered in this review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which they were reviewed; (3) if the exporter is not a firm covered in this review or the original investigation but the producer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the producer of the merchandise; (4) the cash deposit rate for all other producers or exporters will continue to be 5.55 percent,<sup>14</sup> the all-others rate established in the less-than-fair-value investigation. These cash deposit requirements, when imposed, shall remain in effect until further notice.

### *Notification to Importers*

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this

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<sup>14</sup> See *Certain Hot-Rolled Steel Flat Products from Australia, Brazil, Japan, the Republic of Korea, the Netherlands, the Republic of Turkey, and the United Kingdom: Amended Final Affirmative Antidumping Determinations for Australia, the Republic of Korea, and the Republic of Turkey and Antidumping Duty Orders*, 81 FR 67962 (October 3, 2016) (*Order*).

requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

*Notification to Interested Parties*

Commerce is issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: November 2, 2018

Gary Taverman  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations,  
performing the non-exclusive functions and duties of the  
Assistant Secretary for Enforcement and Compliance



## **Appendix**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

1. Summary
  2. Background
  3. Scope of the Order
  4. Discussion of the Methodology
    - Comparison to Normal Value
      - A. Determination of the Comparison Method
      - B. Results of Differential Pricing Analysis
    - Date of Sale
    - Product Comparisons
    - Export Price/Constructed Export Price
    - Normal Value
      - A. Home Market Viability
      - B. Affiliated Party Transactions and Arm's-Length Test
      - C. Level of Trade
      - D. Cost of Production Analysis
        1. Calculation of COP
        2. Test of Comparison Market Sales Prices
        3. Results of the COP Test
      - E. Calculation of Normal Value Based on Comparison Market Prices
  5. Currency Conversion
  6. Recommendation
- [FR Doc. 2018-24796 Filed: 11/13/2018 8:45 am; Publication Date: 11/14/2018]